



**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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William K. Huang
Acting Executive Director

September 16, 2008

Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**APPROVAL OF FUNDS FOR CONSTRUCTION COSTS FOR THE SALVATION
ARMY'S CHESTER STREET PERMANENT SUPPORTIVE HOUSING PROJECT AND
PENNY LANE CENTERS' ANTELOPE VALLEY FAMILY CENTER
(District 5) (3 Vote)**

SUBJECT

This letter requests that your Board approve the transfer of up to \$450,000 in County General Funds, allocated to the Fifth Supervisorial District, to fund construction costs for The Salvation Army's Chester Street Permanent Supportive Housing Project in the City of Glendale and Penny Lane Centers' Antelope Valley Family Center in the City of Lancaster. Approval of the transfer will permit the County of Los Angeles to increase the availability of services and permanent supportive housing units for homeless individuals and families.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Community Development Commission (Commission) has considered the determination made by the City of Glendale that The Salvation Army Chester Street Permanent Supportive Housing Project (Chester Street Project) is categorically exempt from CEQA and find that the project will not cause a significant effect on the environment.
2. Authorize the Acting Executive Director to execute all required documents necessary to transfer a total amount of up to \$227,000 in County General Funds, specifically the Emergency Shelter Funds, to



the Commission for The Salvation Army, to fund construction costs for the property that will house the Chester Street Project, located at 615 Chester Street in the City of Glendale.

3. Authorize the Acting Executive Director to execute all required documents necessary to transfer a total amount of up to \$23,000 in County General Funds from Fiscal Year 2006-2007, specifically the Homeless Service Center Funds, from the Homeless Prevention Initiative for construction of the Chester Street Project, and to incorporate these funds into the Commission's approved Fiscal Year 2008-2009 budget.
4. Authorize the Acting Executive Director to execute all required documents necessary to transfer a total amount of up to \$200,000 in County General Funds from Fiscal Year 2006-2007, specifically the Homeless Service Center Funds, from the Homeless Prevention Initiative for construction of the Penny Lane Centers' Antelope Valley Family Center, and to incorporate these funds into the Commission's approved Fiscal Year 2008-2009 budget.
5. Authorize the Acting Executive Director to draft and execute a Grant Agreement with The Salvation Army in a total amount of up to \$250,000 for construction of the Chester Street Project, to be effective following receipt of County General Funds from the Chief Executive Office, approval of the Grant Agreement as to form by County Counsel, and execution by all parties.
6. Authorize the Acting Executive Director to draft and execute a Grant Agreement with Penny Lane Centers in a total amount of up to \$200,000 for construction of the Antelope Valley Family Center, to be effective following receipt of County General Funds from the Chief Executive Office, approval of the Grant Agreement as to form by County Counsel, and execution by all parties.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

The purpose of the recommended actions is to authorize the Commission to enter into individual Grant Agreements with The Salvation Army and Penny Lane Centers to fund construction for the Chester Street Project and the Antelope Valley Family Center (AVFC). The Chester Street Project will be located at 615 Chester Street in the City of

Glendale. Penny Lane's AVFC will be located at Division Street and Avenue K in the City of Lancaster.

FISCAL IMPACT/FINANCING:

The Chester Street Project will be funded with a portion of the \$20,000,000 in County General Funds (CGF), specifically the Emergency Shelter Funds (ESF), approved by the Board of Supervisors on June 20, 2005, to fund the construction and/or renovation of year-round emergency shelters and enhancements to the homeless support system.

On November 22, 2005, the Board of Supervisors approved allocating \$3,600,000 in CGF to each Supervisorial District, with a ten percent administrative fee in a total amount of \$2,000,000 reserved for the Commission.

In Fiscal Year 2006-2007, Homeless Shelter Center Funds (HSCF) from the Homeless Prevention Initiative were granted to each Supervisorial District to fund programs and costs associated with services, operations and capital projects for homeless individuals and families. Annually, each Supervisorial District is granted \$1,425,000. Currently, the Fifth District has a total of \$1,778,400 to fund such programs.

The proposed grant of funds from the Commission to The Salvation Army includes a total of \$227,000 in Fifth District ESF and a total of \$23,000 in Fifth District HSCF from Fiscal Year 2006-2007, for construction costs associated with the Chester Street Project. The Chester Street Project is a new construction project for permanent supportive housing for homeless families.

The proposed grant funds from the Commission to the Penny Lane Center includes a total of \$200,000 in Fifth District HSCF from Fiscal Year 2006-2007 for construction costs associated with the AVFC. The AVFC is a new construction project that will be a 30,000 square foot, state of the art facility to provide an array of services for homeless youth, emancipated youth and families with young children.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On June 20, 2005, in order to address the large numbers of homeless individuals and families and the corresponding critical shortage of beds in Los Angeles County, the Board of Supervisors approved an allocation of \$20,000,000 for the construction and/or renovation of year-round emergency shelters and enhancements to the homeless support system.

On November 22, 2005, the Board of Supervisors directed the Commission to administer the funding and oversee all of the projects. The Board also instituted a method by which each Board Office selects recipients of this CGF based on agency experience and the need for homeless services in the community, among other considerations.

The HSCF is available Countywide to address the shortage of beds, services and permanent housing for homeless individuals and families. The Fifth District requested that the Commission administer a portion of the HSCF to complete funding for the Chester Street Project and for the costs associated with construction of the AVFC.

A complete description of the Chester Street Permanent Supportive Housing Project is provided as Attachment A. A complete description of the Antelope Valley Family Center is provided as Attachment B.

ENVIRONMENTAL DOCUMENTATION:

As a responsible agency, the Commission reviewed the determination letter prepared by the City of Glendale and determined that the Chester Street Project will not have a significant effect on the environment pursuant to State CEQA Guidelines 15303(b). The Commission's consideration of the determination will satisfy CEQA requirements.

As a responsible agency, the Commission reviewed the Penny Lane Centers' Initial Study/Mitigated Negative Declaration (IS/MND) prepared by the City of Lancaster. The Commission's certification of the IS/MND on January 9, 2007, satisfied the State CEQA Guidelines as stated in Article 7, Section 15096.

IMPACT ON CURRENT PROJECTS:

Approval of these actions will allow for an increase in permanent supportive housing for homeless families in the County.

Respectfully submitted,


for WILLIAM K. HUANG
Acting Executive Director

Attachments: 2

ATTACHMENT A
THE SALVATION ARMY
CHESTER STREET PERMANENT SUPPORTIVE HOUSING PROJECT

The Salvation Army is a tax exempt 501(c)(3) non-profit agency with its local corporate office located Los Angeles California. The Salvation Army has provided shelter and services to homeless individuals and families in Los Angeles County for many decades.

The Salvation Army purchased a single family home in Glendale in order to develop a permanent supportive housing project for homeless families. This existing structure will be demolished to allow for construction of the Chester Street Supportive Housing Project (Chester Street Project). The Chester Street Project will provide four 2-bedroom, two bath units (for a total of 12 beds) with comprehensive services designed to stabilize the family and prevent a relapse into homelessness. Once construction is complete, the Chester Street Project will consist of a one-story building containing two apartments with parking underneath, and a two-story building with one apartment on each floor. The Chester Street Project will provide each resident family with a private, independent dwelling with a master bedroom for the parent(s) and separate bedroom for children; two bathrooms; kitchen; living room; and dining room in the context of a small supportive community. The site will be safe and secure, with a fence surrounding three sides of the property. The Chester Street Project will also include a fenced play area, coin operated laundry facilities, and sufficient garage parking for those families that are able to purchase automobiles. The Chester Street Project will be located adjacent to an existing Salvation Army transitional housing facility for homeless families. The goal of the project is to reduce the number of homeless families living on the streets of Los Angeles.

The Chester Street Project for homeless families will be located at 615 Chester Street, Glendale, CA 91203 and will consist of four units for families, representing 12 new beds.

Construction	\$227,000
	\$23,000
Total request	\$250,000

ATTACHMENT B
THE PENNY LANE CENTERS'
ANTELOPE VALLEY FAMILY CENTER

Penny Lane Centers is a nonprofit organization that has been serving Los Angeles County's vulnerable children, youth, and families since 1965. It currently provides 185 beds in the Antelope Valley and San Fernando Valley through an array of housing options (transitional beds, group homes, permanent housing and residential care). Penny Lane's services include residential treatment, foster care, adoption services, outpatient mental health services and Transitional Housing for Emancipated Foster Youth. Each year, Penny Lane's programs serve 2000 individuals, approximately 15% of which are homeless or at risk of being homeless and 98% of which are mentally ill. Currently, all of the above mentioned services are provided in different locations throughout Los Angeles County.

Penny Lane Centers is currently in the middle of a significant expansion to provide more beds and services in the Antelope Valley. The new 30,000 square foot Penny Lane Antelope Valley Family Center (AVFC) is in the predevelopment phase of construction and will be located at Division Street and Avenue K in Lancaster. The AVFC will offer an array of services specifically designed for very vulnerable families with children, foster youth and emancipating youth who are at high risk for homelessness, all under one roof. It will be the only project of its kind in the Antelope Valley. AVFC will be a state-of-the-art facility that will strengthen Penny Lane's capacity to provide more supportive services in the region, and will dedicate 15 new beds to homeless emancipated foster youth.

The allocation of \$200,000 of HSCF for the AVFC will allow Penny Lane Centers to complete construction of the Center that will service the target population of homeless youth, emancipated youth and families with young children.

AVFC Construction Funds	\$ 200,000
Total request	\$ 200,000